

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 43

January 24, 2011

SUMMARY OF BILL: Classifies vertical closed loop geothermal heating and cooling projects as masonry work for the purpose of the Contractors Licensing Act of 1994. Creates additional disclosure requirements for masonry contract bidders by requiring the company name, the Tennessee Department of Environment and Conservation (TDEC) license number, and the classification and expiration date to appear on the outside of the bid envelope or electronic bid submission for contracts over \$100,000. Requires prime contractor bidders on such masonry projects to designate "prime contractor" on the outside of the bid envelope or electronic bid submission. Failure to comply will result in voiding of the bid.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Any additional cost associated with an increase of complaints regarding voided bids can be accommodated within the existing resources of the Tennessee Board for Licensing Contractors without a fee increase, an increased appropriation, or a reduced reversion.
- Pursuant to Tenn. Code Ann. § 4-3-1011, all regulatory boards are required to be self-supporting over a two-year period. For FY09-10, the Tennessee Board for Licensing Contractors had a year-end balance of \$399,742.08. The year-end balance was added to the Board's existing reserve balance of \$1,181,317.86, bringing the total reserve account balance to \$1,581,059.94.
- According to the Department of General Services, EDISON is capable of facilitating the additional information on the bids.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

/sbh